

Asset/Service Provided	SBC ASI (1)	SBC MSI (2)	SBC SBO (3)	SBC SBS (4)	SBC Lab (5)	SAI (6)	ASI (7)	SNET DG (8)	SNET Info Svc (9)	Cingular (10)	SNET Real Estate (11)	SNET HOCO (12)	SWB Mess- aging (13)
Services - Lower of Fair Market Value and Fully Distributed Cost (cont'd)													
Material Mgmt. & Distr. (FDC)				D			D						
Motor Vehicle Support (FDC)				D									
Ntwk & Mkt Plng & Direction			D	D									
Payroll Services (FDC)				D									
Personnel Services (FDC)												D	
Property & Mtce Svcs (FDC)				D									
Tech. Research Support (FDC)					D								
Telecommunications Svcs (FDC)			D	D		D							
Training & Development (FDC)				D								D	

(1)- SBC Advanced Solutions, Inc

(2)- SBC Management Services LP (FDC exception applies)

(3)- SBC Operations, Inc. (FDC exception applies)

(4)- SBC Services, Inc. (FDC exception applies)

(5)- SBC Laboratories, Inc. (FDC exception applies)

(6)- SNET America, Inc

(7)- Ameritech Services, Inc. (FDC exception applies)

(8)- SNET Diversified Group, Inc

(9)- SNET Information Services, Inc

(10)- Cingular Wireless LLC

(11)- SNET Real Estate, Inc

(12)- Southern New England Telecommunications, Corp. (FDC exception applies)

(13)-Southwestern Bell Messaging Services, Inc

D = Daily

M = Monthly

A = Annually

W = Weekly

Q = Quarterly

O = Occasionally

See "List of Assets and Services Provided" appearing earlier in Section V for a more detailed description of assets and services provided.

**VI COST APPORTIONMENT
TABLES**

The Southern New England Telephone Company
Cost Allocation Manual

SECTION VI

COST APPORTIONMENT TABLES

COST APPORTIONMENT TABLES

6 I OVERVIEW

This Section contains the apportionment bases used to assign and allocate costs to regulated and nonregulated cost objectives for each applicable USOA-Part 32 account. The Cost Apportionment Tables (Tables) are divided into major categories reflecting the nature of the accounts as follows:

- . Current Assets
- . Noncurrent Assets
- . Other Telecommunications Plant
- . TPIS - General Support Assets
 - TPIS - Central Office Assets
- . TPIS - Information Origination/Termination Assets
- . TPIS - Cable and Wire Facilities Assets
- . TPIS - Amortizable Assets
 - Accumulated Depreciation and Amortization
- . Current Liabilities
- . Other Liabilities and Deferred Credits
- . Operating Revenues
- . Uncollectible Revenues
- . Plant Specific Operations Expense
- . Plant Nonspecific Operations Expense
- . Customer Operations Expense
- . Corporate Operations Expense
- . Other Operating Income and Expenses
- . Operating Taxes
- . Nonoperating Income and Expenses
- . Interest and Related Items
- . Extraordinary Items
- . Jurisdictional Differences and Nonregulated Income

The Tables contain the following information, in column format, for each applicable USOA-Part 32 account.

COLUMN 1 - USOA-PART 32 ACCOUNT USOA-Part 32 account number and title

COLUMN 2 - COST POOL The cost pools into which the account is apportioned Cost pools represent homogeneous groups of costs and reflect the USOA-Part 32 account structure unless further disaggregation is required

COLUMN 3 - COST POOL APPORTIONMENT BASIS: Method for apportioning the USOA-Part 32 account into the defined cost pools.

COLUMN 4 - REGULATED/NONREGULATED APPORTIONMENT BASIS: Method for apportioning the defined cost pools to regulated and nonregulated cost objectives.

COLUMN 5 - COST DEFINITION: Characteristic of the costs apportioned to regulated and nonregulated cost objectives.

. Directly Assignable: Costs of assets and/or resources are incurred exclusively for regulated services or nonregulated activities. These costs are directly charged to the appropriate cost pool based upon the Company's financial accounting system.

. Directly Attributable: Costs of assets and/or resources are incurred to provide both regulated services and nonregulated activities. These costs are apportioned using direct measures of cost causation.

Indirectly Attributable Costs of assets and/or resources are incurred to provide both regulated services and nonregulated activities. These costs are apportioned using indirect measures of cost causation.

Unattributable: Costs of assets and/or resources are shared with no causal relationships. These costs are apportioned using a general allocator. The general allocator is computed by using the ratio of all expenses directly assigned or attributed to regulated services and nonregulated activities.

COLUMN 6 - COMMENTS: Additional information provided where appropriate

The Company does not currently have nonregulated activities.

CURRENT ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
1220	Inventories	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

NONCURRENT ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
1410	Other Noncurrent Assets	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes former Accounts 1401, 1402, 1407, 1408, and 1410
1438	Deferred Maintenance, Retirements and Other Deferred Charges	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes former Accounts 1438 and 1439.
1500	Other Jurisdictional Assets - Net	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

OTHER TELECOMMUNICATIONS PLANT

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2002	Property Held for Future Telecom- munications Use	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	The Company has no investment in this account
2003	Telecommunications Plant Under Construc- tion	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2005	Telecommunications Plant Adjustment	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	The Company has no investment in this account Includes prior Accounts 2005 and 3600.

TPIS - GENERAL SUPPORT ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2111	Land	Regulated	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no land directly assigned to nonregulated
		Common	Not Applicable	Not Applicable	Indirectly Attributable	The Company's land is directly assigned to regulated
2112	Motor Vehicles	Regulated	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no motor vehicles directly assigned to nonregulated
		Central Office	Not Applicable	Not Applicable	Indirectly Attributable	The Company's motor vehicles are directly assigned to regulated
		Distribution Services	Not Applicable	Not Applicable	Indirectly Attributable	The Company's motor vehicles are directly assigned to regulated

TPIS - GENERAL SUPPORT ASSETS**COST APPORTIONMENT TABLES**

USOA PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2112 (Continued)	Motor Vehicles	Network Operations	Not Applicable	Not Applicable	Indirectly Attributable	The Company's motor vehicles are directly assigned to regulated
		Customer Operations	Not Applicable	Not Applicable	Indirectly Attributable	The Company's motor vehicles are directly assigned to regulated
		Corporate Operations	Not Applicable	Not Applicable	Indirectly Attributable	The Company's motor vehicles are directly assigned to regulated
		Motor Pool	Not Applicable	Not Applicable	Indirectly Attributable	The Company's motor vehicles are directly assigned to regulated
2113	Aircraft	Not Applicable	Not Applicable	Not Applicable	Not Applicable	The Company has no investment in this account
2114	Tools and Other Work Equipment	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

TPIS - GENERAL SUPPORT ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2121	Buildings	Regulated	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no buildings directly assigned to nonregulated
		Common-Regulated	Not Applicable	Not Applicable	Directly Attributable	The Company's buildings are directly assigned to regulated
		Common-Nonregulated	Not Applicable	Not Applicable	Directly Attributable	The Company's buildings are directly assigned to regulated
		Central Office	Not Applicable	Not Applicable	Indirectly Attributable	The Company's buildings are directly assigned to regulated

TPIS - GENERAL SUPPORT ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2121 (Continued)	Buildings	Distribution Services	Not Applicable	Not Applicable	Indirectly Attributable	The Company's buildings are directly assigned to regulated
		Network Operations	Not Applicable	Not Applicable	Indirectly Attributable	The Company's buildings are directly assigned to regulated
		Customer Operations	Not Applicable	Not Applicable	Indirectly Attributable	The Company's buildings are directly assigned to regulated
		Corporate Operations	Not Applicable	Not Applicable	Indirectly Attributable	The Company's buildings are directly assigned to regulated
2122	Furniture	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2123	Office Equipment	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2124	General Purpose Computers	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

TPIS - CENTRAL OFFICE ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2211	Nondigital Switching	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes prior Accounts 2211 and 2215
2212	Digital Electronic Switching	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

TPIS - CENTRAL OFFICE ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2220	Operator Systems	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2231	Radio Systems	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2232	Circuit Equipment	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

TPIS - INFORMATION ORIGINATION/TERMINATION ASSETS

COST APPORTIONMENT TABLES

<u>USOA-PART 32 ACCOUNT</u>	<u>ACCOUNT TITLE</u>	<u>COST POOL</u>	<u>COST POOL APPORTIONMENT BASIS</u>	<u>REGULATED/NONREGULATED</u>	<u>COST DEFINITION</u>	<u>COMMENTS</u>
2311	Station Apparatus	Regulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account
2321	Customer Premises Wiring	Regulated	Not applicable	Not applicable	Directly assigned	The Company has no investment in this account
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account
2341	Large Private Branch Exchange	Regulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account
2351	Public Telephone Terminal Equipment	Regulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account.
		Nonregulated	Not Applicable	Not Applicable	Directly Assignable	The Company has no investment in this account

TPIS - INFORMATION ORIGINATION/TERMINATION ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2362	Other Terminal Equipment	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

TPIS - CABLE AND WIRE FACILITIES ASSETS

COST APPORTIONMENT TABLES

<u>USOA-PART 32 ACCOUNT</u>	<u>ACCOUNT TITLE</u>	<u>COST POOL</u>	<u>COST POOL APPORTIONMENT BASIS</u>	<u>REGULATED/NONREGULATED</u>	<u>COST DEFINITION</u>	<u>COMMENTS</u>
2411	Poles	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2421	Aerial Cable	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	By special permission from the FCC, the Company records Aerial Wire (Account 2431) with aerial cable in this account.
2422	Underground Cable	Same As Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2423	Buried Cable	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2424	Submarine and Deep Sea Cable	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes former Accounts 2424 and 2425.

TPIS - CABLE AND WIRE FACILITIES ASSETS

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2426	Intrabuilding Network Cable	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2431	Aerial Wire	Not Applicable	Not Applicable	Not Applicable	Not Applicable	By special permission from the FCC, the Company records its aerial wire investment in Account 2421 Aerial Cable
2441	Conduit Systems	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

TPIS - AMORTIZABLE ASSETS

COST APPORTIONMENT TABLES

USOA PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
2681	Capital Leases	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2682	Leasehold Improvements	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
2690	Intangibles	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes former Accounts 2690 and 3500.

ACCUMULATED DEPRECIATION AND AMORTIZATION

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
3100	Accumulated Depreciation	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
3200	Accumulated Depreciation - Held for Future Telecom- munications Use	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	The Company does not use this account
3410	Accumulated Amorti- zation - Capitalized Leases	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
3420	Accumulated Amorti- zation - Leasehold Improvements	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

ACCUMULATED DEPRECIATION AND AMORTIZATION

COST APPORTIONMENT TABLES

USOA PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
-------------------------	---------------	-----------	----------------------------------	------------------------	-----------------	----------

CURRENT LIABILITIES

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
4040	Customers' Deposits	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
4100	Net Current Deferred Operating Income Taxes	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

OTHER LIABILITIES AND DEFERRED CREDITS

COST APPORTIONMENT TABLES

1 SOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL Same as Account	COST POOL APPORTIONMENT BASIS Cost Pool Equals Account	REGULATED/NONREGULATED Directly Assigned to Regulated	COST DEFINITION Directly Assignable	COMMENTS
4300	Other Long-Term Liabilities and Deferred Credits	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes prior Accounts 4310 and 4360
4340	Net Noncurrent Deferred Operating Income Taxes	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	
4370	Other Jurisdictional Liabilities and Deferred Credits - Net	Same As Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	

OPERATING REVENUES

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
5001 through 5230	Operating Revenues	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	All regulated revenue. Includes prior Accounts 5001-5270
5280	Nonregulated Operating Revenues	Not Applicable	Not Applicable	Not Applicable	Not Applicable	The Company currently has no nonregulated revenues

UNCOLLECTIBLE REVENUES

COST APPORTIONMENT TABLES

USOA-PART 32 ACCOUNT	ACCOUNT TITLE	COST POOL	COST POOL APPORTIONMENT BASIS	REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
5300	Uncollectible Revenue	Same as Account	Cost Pool Equals Account	Directly Assigned to Regulated	Directly Assignable	Includes prior Accounts 5301 and 5302